From: Talking Points PM
To: Kelly Como
Subject: Corporate sponsors step up to the plate in Worcester for baseball
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Talking Points

Welcome back to Talking Points PM for Thursday, Oct. 25. Stocks recouped some of yesterday's big losses, putting the Dow and S&P 500 back in the black for the year. (CNBC) After the close, shares of Amazon, Alphabet (Google), and Snap fell on disappointing financial results.

Chesto Means Business

Stepping up to the plate: Maybe Larry Lucchino shouldn't have worried so much about Worcester's corporate community after all.

When the Pawtucket Red Sox chairman weighed

whether to move the minor league baseball team to Worcester, he was concerned that inadequate business support might become the city's Achilles' heel. As a result, city officials included an unusual clause in its deal with the PawSox: a guarantee of $3.1 million a year in sponsorships during the team's first five years in the new home.

That backstop may prove to be unnecessary. City Manager Ed Augustus has said the team wants founding sponsors to pay at least $100,000 a year. As of today, 19 founding sponsors are willing to be public with their commitments, and two more are close.

Assumption College, for example, unveiled its sponsorship plans today for the Worcester Red Sox. President Francesco Cesareo said the partnership will lead to internships with the team for Assumption students, and after-school programs and English-as-a-Second-Language courses for city residents at the ballpark. Assumption will also get to hang its name on the new ballpark's outfield wall.

Until now, most sponsors haven't gone public. Polar Beverages was the first, and most obvious: The Worcester-based soda company inked a naming rights deal with Lucchino for the new stadium, to be called Polar Park. Fallon Health, the Worcester-based health insurer, also previously disclosed its support.

The list of founding sponsors includes a number of financial companies: Berkshire Bank, Unum, Hanover Insurance, UniBank, Country Bank. MGM Springfield is there, as are real estate firms Fontaine Brothers and Stonegate Group. The Telegram & Gazette has signed on. And yes, so has the city's favorite dessert factory, Table Talk Pies. Many of these commitments were conveyed to Lucchino and his team before they made the call in August to leave Rhode Island and play ball in Worcester in 2021.

Why step up to the plate? Many of these businesses are big civic players; their leaders realized that the baseball team could play an important role in helping catalyze the renaissance under way in New England's second-biggest city.

The team is also hopeful it can tap into its Pawtucket sponsors. Some corporate names -- Bank of America, Dunkin', CVS -- are major chains that could benefit from exposure in Worcester, too.

The city of Worcester, of course, is the project's biggest booster: It has

agreed to borrow $101 million to pay for the park's construction. The team will help pay off some of those bonds, with $6 million upfront and rent payments totaling $30 million. The city could theoretically pay off the rest from taxes on new development in the park area, but there's no guarantee that the new revenue will be enough.

The corporate sponsorship money, though, is guaranteed. One option to address any possible sponsorship shortfall: foundations in the city could buy up game tickets and give them to city students.

It's an unusual approach, but the team's supporters might never end up using it. Team officials believe they're close to their $3.1 million-a-year goal, as these corporate dollars add up.

So much for that Achilles' heel. Worcester's corporate community has turned into a big asset for the team, not a liability.

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Executive Summary

Saudi connections: Saudi Arabia has long spread its petrodollars around the world, buying influence, cementing friendships, and buffing its reputation. But the murder of dissident journalist Jamal Khashoggi, allegedly ordered by Crown Prince Mohammed bin Salman, is forcing the US government, companies, and institutions to reassess their financial ties to the kingdom.

Enter MIT and Harvard. The Globe's Michael Levenson writes: "Neither university has provided a full accounting of the many partnerships they have formed with the kingdom, but a review of those that have been publicly disclosed shows how difficult it would be to unravel the extensive ties, even if that were something the universities were considering." (Boston Globe)

Wynn's reckoning: Massachusetts gaming regulators will release their long anticipated report into what Wynn Resorts knew about alleged sexual assaults by former chairman Steve Wynn in December. The findings from a probe that began early in the year will determine whether the Las Vegas company can retain its license for the casino resort it is building in Everett. (State House News Service)

Pilgrim's progress: Nuclear waste stored at the Pilgrim Nuclear Power Station in Plymouth will be moved to higher ground to protect it from the threat of rising seas. The Globe's David Abel says the move, which was urged by activists and is set to be completed by 2022, will relocate the radioactive waste to a new pad on an existing parking lot that is about 75 feet above mean sea level and 700 feet from the shore. It is currently stored 25 feet above Plymouth Bay and little more than 200 feet from the shoreline. (Boston Globe)

Gov.'s gesture of support: Governor Charlie Baker's campaign isn't taking any chances with the Unite Here Local 26 strike. The Baker campaign has moved its Nov. 6 election night operation out of the Sheraton Boston, one of the seven Marriott-operated hotels where Local 26 members are on strike. Instead, the campaign will set up at the Hynes Convention Center next door. Local 26 president Brian Lang praised "our good friend Governor Baker for his leadership and act of solidarity." About 1,500 workers have been on strike since Oct. 3.

Pot primer (Canada edition): It took Canada just four months to roll out legalized recreational marijuana sales (if only Mass. regulators were so efficient). If you are wondering how the market works, the Globe's Dan Adams has a very helpful Q&A here. And you can subscribe to his weekly newsletter here.

Cannabis IPO: Curaleaf Holdings, a Wakefield marijuana cultivator and retailer, is raising about $400 million in a deal that would value the company at close to $4 billion, people familiar with the situation told Reuters. In a Canadian offering, Curaleaf will raise the equity through a private placement that converts to a public company. (Reuters)

What happened elsewhere:

- **Trump's new drug plan:** The president's proposal would tie the price that the government pays for certain drugs to their cost in other countries. (STAT)

- **Protection racket:** Google went easy on three executives after they were accused of sexual misconduct, including Andy Rubin, the creator of the Android mobile software. (NYT)
- **Righting a copyright wrong:** A new rule will allow consumers to breach copyright protection to fix their broken devices starting on Sunday. (Axios)
- **McDonald's fires back:** Taking aim at bundled deals like KFC's $5 Fill-ups, McDonald's will offer a $6 Classic Meal Deal offering one entrée, a small fry, a drink or sweet tea of any size, and an apple pie or seasonal pie. (Business Insider)

Good night and good news: If you're itching to get out on the slopes, you're in luck. Several mountains in Maine, New Hampshire, and Vermont will be open this weekend. (Boston Globe)

Curated and edited by Larry Edelman. Follow him on Twitter @GlobeNewsEd. Larry writes Talking Points AM, the morning edition of this newsletter. You can sign up here.

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